

Application Guidelines

HB 1437 Agriculture Water Conservation Program

Spring 2008

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Program Guidelines

The HB1437 Agriculture Water Conservation Program (Program) is a joint effort among individual producers, local soil and water conservation districts (SWCDs), the U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS), and LCRA to implement water conservation projects to conserve agriculture surface water in the lower Colorado River basin.

The Program provides grants to eligible producers to construct acceptable, on-farm, water conservation practices such as irrigation land leveling, multiple inlets, and tail water recovery. Proposed projects must meet NRCS specifications in effect at the time of the application.

Producers work with local offices of the NRCS and SWCDs to identify and plan the projects. LCRA, as the administrator of the HB1437 Agriculture Water Conservation Fund, provides grant funds to help producers implement eligible water conservation projects that meet NRCS specifications.

Under this Program, producers may receive up to 30 percent of the cost of the approved acceptable practice.

OVERVIEW OF PROCESS

1. Producers submit a HB1437 Application to their local LCRA Irrigation District Office (Lakeside, Garwood, and Gulf Coast). The LCRA screens applications for eligibility.
2. LCRA notifies applicant of award and signs Cost Sharing Agreement with applicant/producer.
3. Upon successful completion of the project, and project certification by the local NRCS office, the producer is reimbursed for up to 30 percent of the cost of the approved acceptable practice based on NRCS guidelines in place at the time of contract award. The LCRA reviews completed projects annually to monitor conservation success.

For more information or to apply, contact your local LCRA Irrigation District or local SWCD office.

ACCEPTABLE PRACTICES

In general, acceptable practices for the Program are those identified as NRCS County Resource Concerns for the producer's county but, at LCRA discretion, may be limited to selected NRCS practices.

The acceptable practice for Spring 2008 funding is NRCS Conservation Practice Irrigation Land Leveling (Code 464); applications for other practices will not be considered.

The NRCS web site (<http://www.tx.nrcs.usda.gov/programs>) identifies State Resource Concerns along with links to individual counties for County Resource Concerns, Eligible Practices, and Cost Lists.

ELIGIBILITY

Producers are eligible for consideration if they meet the following criteria:

1. The field for which the application is being made has been irrigated by a LCRA rice irrigation contract at least once during the past 10 years.
2. Producer will complete the project within 18 months of the effective date of Producer's and LCRA's cost-sharing agreement (Agreement), unless an extension is granted by NRCS or the SWCD that extends beyond the date 18 months from the Agreement's effective date, in which event Producer will complete the project by the deadline provided in the NRCS or SWCD extension.
3. Producer will place the field that is the subject of this Agreement in rice production within three years of the Agreement's effective date;
4. Proposed projects are for NRCS-approved practices only and provide for the conservation of surface water.
5. If the proposed projects are related to existing contracts with the United States Department of Agriculture, Commodity Credit Corporation ("CCC"), for participation in the Environmental Quality Incentives Program (EQIP), the EQIP field must not have been placed in production prior to the year in which the Agreement becomes effective.
6. If Producer previously received funding for a conservation practice from LCRA, Producer must have maintained the conservation practice for the term specified in the previous funding agreement.
7. Producer must have a SWCD – District Cooperative Agreement or EQIP contract.
8. Producer agrees to irrigate the field that is subject to the Agreement with LCRA system water for the Service Life specified in the Cost Sharing Agreement.
9. Producer agrees to allow LCRA or its authorized agents access to the field that is subject to this Agreement during reasonable times on business days so that LCRA's agents may inspect the field, which inspection may include measuring area, elevation, and water flows related to water conservation efficiencies.

FUNDING AND COST SHARE RATES

Conservation projects for this program are funded through the HB1437 Agriculture Water Conservation Fund. Money is deposited into the fund from a conservation surcharge on water transferred from the Lower Colorado River basin to Williamson County. Surcharge funds are awarded as grants to producers to help implement these agriculture conservation projects.

The level of cost sharing in the HB1437 Application will follow NRCS guidelines for the proposed practice. Payments under the HB1437 Agriculture Water Conservation Program will be 30% of the cost for the practice based on the NRCS guidelines for the proposed practice.

DATES AND ADDRESSES FOR APPLICATION SUBMITTALS

Applications must be received at the local LCRA irrigation district office on or before the Application Submittal Date: 3:00 p.m. April 18, 2008 to be eligible for spring 2008 funds. Applications received after this time will be returned.

Applications are good only for the year submitted.

Applicant must submit a separate, single application for each field. There are no limits to the number of fields for which Producer may submit an application.

Mailing Addresses:

Lakeside Irrigation District
209 S. McCarty
Eagle Lake, Texas 77434
979-234-7336

Garwood Irrigation District
P.O. Box 404
7859 Hwy. 71
Garwood, Texas 77442
979-758-3017

Gulf Coast Irrigation District
P.O. Box 1500
100th Seventh Street
Bay City, Texas 77404
979-245-4631

SELECTION AND AWARD NOTIFICATION

Selection Priorities

LCRA will award contracts in the following order, or categories, of priority:

- **Priority 1**
 - a. Applicant has previously entered into SWCD Cooperative Agreement or EQIP contract; and
 - b. The approved practice or conservation measure has been completed and certified by NRCS or the local SWCD; and
 - c. The field has not been placed into production prior to the year in which the application is submitted; and
 - d. Applicant has a current rice irrigation water contract from LCRA for the field on which the application is made.

- **Priority 2**
 - a. Applicant has previously entered a SWCD Cooperative Agreement or EQIP contract; and
 - b. The approved practice or conservation measure has been completed and certified by NRCS or the local SWCD; and
 - c. The field has not been placed into production prior to the year in which the application is submitted.

- **Priority 3**
 - a. All other Applications.

Selection Process

Within each priority category, contracts will be awarded based on a ranking of eligible applications set by random selection through a lottery to be conducted by LCRA. A separate lottery and resulting ranking of applications will be held for each LCRA irrigation district (Lakeside, Garwood, and Gulf Coast).

All awards of contracts are subject to availability of funds from the HB1437 Agriculture Water Conservation Fund. LCRA shall determine the amount of monies available each year from the HB1437 Agriculture Water Conservation Fund. Following this determination, LCRA shall allocate equal portions of the available funds to each LCRA irrigation district (Lakeside, Garwood, and Gulf Coast).

After LCRA has allocated available funds to each irrigation district, LCRA shall award contracts to eligible applications in the Priority 1 category based on the rankings that result from the random selection lottery.

Afterward, if any funds allocated to an LCRA irrigation district remain uncommitted, LCRA shall reallocate those funds to the other LCRA irrigation districts in equal portions until all eligible Priority 1 applications have been awarded contracts.

Following contract awards to all qualified Priority 1 applications, LCRA shall reallocate any remaining, uncommitted funds from the HB1437 Agriculture Water Conservation Fund to each LCRA irrigation district (Lakeside, Garwood, and Gulf Coast), again in equal portions.

LCRA then shall award contracts to Priority 2 applications based on rankings that result from the random selection lottery within each LCRA irrigation district (Lakeside, Garwood, and Gulf Coast).

Afterward, if any funds allocated to an LCRA irrigation district remain uncommitted, LCRA shall reallocate those funds to the other LCRA irrigation districts in equal portions until all eligible Priority 2 applications have been awarded contracts.

Following contract awards to all qualified Priority 1 and Priority 2 applications, LCRA shall reallocate any remaining, uncommitted funds from the HB1437 Agriculture Water Conservation Fund to each LCRA irrigation district (Lakeside, Garwood, and Gulf Coast), again in equal portions.

LCRA then shall award contracts to Priority 3 applications based on rankings that result from the random selection lottery within each LCRA irrigation district (Lakeside, Garwood, and Gulf Coast).

Afterward, if any funds allocated to an LCRA irrigation district remain uncommitted, LCRA shall reallocate those funds to the other LCRA irrigation districts in equal portions until all eligible Priority 3 applications have been awarded contracts.

Selection Notification

LCRA will evaluate applications and notify applicant of award within 30 days of the application deadline.

PAYMENT

1. When the practices are completed and certified by NRCS, the producer must submit a HB1437 Payment Request to LCRA and attach a copy of the approved NRCS Practice Certification and Payment Application form (Form CCC-1245).

2. Payment – Payment will be based on thirty percent (30%) of the approved NRCS Practice Certification and Payment Application form (Form CCC-1245) and payment provisions of the cost sharing agreement.
3. Payment – No payments will be made for partially completed work.

APPLICATION AND IMPLEMENTATION

1. Apply by completing a HB1437 Agriculture Water Conservation Program Cost Share Application (copy attached).
2. If applicable, attach a copy of the supporting EQIP contract (form CCC-1200) or the local SWCD - District Cooperative Agreement to the HB1437 application.
3. Submit the application to the producer's local LCRA Irrigation District (Lakeside, Garwood, and Gulf Coast) office by the Application Submittal Date.
4. LCRA will review the application to determine if the proposed conservation practice is eligible for HB1437 funds and meets NRCS specifications.
5. LCRA will notify the producer and local SWCD office of the award and sign LCRA Cost Sharing Agreement (copy attached).
6. The producer begins installing the conservation practices.
7. When the practices are completed and certified by a local NRCS official, the producer submits a HB1437 Payment Request to LCRA. The producer must include in the request a copy of the approved NRCS Practice Approval and Payment Application form (Form CCC-1245).
8. LCRA reviews the payment request and authorizes payment.
9. LCRA periodically inspects the conservation practice for the Service Life specified in the Cost Sharing Agreement.
10. If the conservation practice is not maintained by the producer for the Service Life specified in the Cost Sharing Agreement, LCRA may seek repayment from the producer under the contract and may decline future funding of conservation practices for the same producer.

APPLICATION GUIDELINES SUBJECT TO CHANGE

These Application Guidelines, including the attachments, for the HB 1437 Agriculture Water Conservation Program may be revised by the LCRA Board of Directors. Any revisions to the Application Guidelines, however, will not apply retroactively to:

1. Applications submitted prior to the application deadline for the same funding year in which the revisions are made; or,
2. Cost Sharing Agreements that result from applications submitted prior to the application deadline for the same funding year in which the revisions are made.

ATTACHMENTS

1. HB1437 Cost Sharing Application
2. HB1437 Cost Sharing Agreement